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Mission Statement

The mission of Tennessee Auctioneer Commission is to protect the public and licensees by monitoring the auctioneer profession through licensure and regulation.

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An Official Publication of the Tennessee Auctioneer Commission

From the Chairman

By Kenneth Dreaden, Chairperson

In March 2007, the Tennessee Auctioneer Commission held a Rule Making Hearing to amend the current Chapter 0160-01, Regulations of Auctioneers. These rules will go into effect on Monday, April 14, 2008 and will have a direct effect on every Tennessee licensed auctioneer, apprentice auctioneer, gallery and firm. These changes are presented in this issue of the Newline with the changes being presented in **bold**. Please take the time to familiarize yourself and everyone in your company with these changes. Again, these changes will become effective on **Monday, April 14, 2008**.

Chapter 0160-1 Regulations of Auctioneers

Final Rule Changes

Rule 0160-1-.06 Dates of Examinations is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

0160-1-.06 Dates of Examinations. The Commission shall, in conjunction with the current contractor, administer the examination on the dates provided by the contractor five (5) days a week with the exception of holidays.

Authority: T.C.A. §62-19-106(b).

Rule 0160-1-.08 Forfeiture of Fees is repealed.

Authority: T.C.A. §62-19-106(b).

Rule 0160-1-.09 Assistants is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

0160-1-.09 Assistants. Any person acting as ringman, or bid spotter, at personal property sales, such as cattle sales, auction houses, auto sales, and real estate sales shall not be required to be licensed under this act and shall be directly responsible to the auctioneer in charge. The principal auctioneer shall be responsible for that person's conduct and representation.

Authority: T.C.A. §62-19-106(b).

Rule 0160-1-.10 Auction Schools is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

0160-1-.10 Auction Schools.

- (1) In order to be approved by the Auctioneer Commission (for the purpose of T.C.A. § 62-19-111), an auction school must:
 - (a) execute an application on the form prescribed by the Commission, accompanied by a description of the school's curriculum;
 - (b) have a permanent business location;
 - (c) conduct a minimum of eighty (80) hours of instruction, including at least forty (40) hours under the supervision of a licensed auctioneer with at least five (5) years of experience;
 - (d) for applicants applying for upgrade from apprentice to auctioneer, conduct a minimum of thirty (30) hours of instruction, including at least fifteen (15) hours instruction given by a licensed auctioneer with at least five (5) years of experience;
 - (e) maintain a pass/fail grading system, with a supplementary "good/fair/poor" designation;
 - (f) provide instruction in public speaking, bid calling, sales management, advertisements, contracts, closing statements, license law, uniform commercial codes, bulk sales and firearms;
 - (g) demonstrate every two (2) years that it has met the requirements of the Tennessee Higher Education Commission (or the equivalent thereof in another state).

Authority: T.C.A. §62-19-106(b).

Rule 0160-1-.14 Fees is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

0160-1-.14 Fees.

- (1) Each application for licensure shall be accompanied by a non-refundable application fee of fifty dollars (\$50.00).
- (2) Fees for the issuance of initial licensure and the renewal thereof shall be as follows:

Auctioneer License.....one hundred seventy-five dollars (\$175.00)
Apprentice Auctioneer License.....one hundred twenty-five dollars (\$125.00)
Principal Office Firm License.....one hundred twenty-five dollars (\$125.00)
Gallery License.....one hundred seventy-five dollars (\$175.00)
Auction Firm Branch License.....seventy-five dollars (\$75.00)
Gallery Branch License.....seventy-five dollars (\$75.00)
Auctioneer Education and Recovery Account Feefifty dollars (\$50.00)

Licenses are valid for two (2) years from the date of their issuance and may be renewed within the sixty (60) days immediately preceding their date of expiration.

- (3) A licensee shall pay a one-time fee of one hundred fifty dollars (\$150.00) for the retirement of an auctioneer or apprentice auctioneer license. An application or activation of a retired license shall be accompanied by an application fee of one hundred dollars (\$100.00), the applicable license fee and the Auctioneer Education and Recovery Account fee.
- (4) An applicant who fails a license examination shall pay a fee as set by contract with the Auctioneer Commission license examination administrator for each subsequent re-examination.
- (5) The fee for a replacement license and pocket card is thirty-five dollars (\$35.00).
- (6) Any notification of change of information pursuant to rule 0160-1-.24 made to the Commission more than sixty (60) days after the effective date of the new information shall result in a penalty of one hundred dollars (\$100.00).

Authority: T.C.A. §§62-19-106(b), 62-19-111 and 62-19-116.

Chapter 0160-3 Continuing Education

Amendments

Rule 0160-3-.03 Basic Requirements is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

0160-3-.03 Basic Requirements.

- (1) All licensees including auctioneer licensees, apprentice auctioneer licensees, gallery licensees, as well as non-auctioneer firm owners, except as otherwise provided by T.C.A. §62-19-106(e) and these rules, must obtain six (6) hours of continuing education per renewal cycle in order to renew a license, except as provided for in T.C.A. §62-19-106(e)(2).
- (2) A licensee attending a continuing education program shall provide the licensee's name and license number(s) to the sponsor in writing on the sponsor's registration form for any commission-approved continuing education program. If the licensee fails to follow the aforementioned requirement, the licensee shall not receive credit for attending the program from the Commission.
- (3) A licensee who attends any continuing education program or engages in other continuing education activity which has not been approved by the Commission shall not be awarded credit by the Commission towards the continuing education requirement.
- (4) A licensed auctioneer or apprentice auctioneer who also is the holder of a firm license or gallery license need only obtain the number of hours of continuing education for the renewal of one (1) license in order for the Commission to renew both the auctioneer or apprentice auctioneer license and the firm license.
- (5) Non-auctioneer gallery and non-auctioneer firm owners must obtain six (6) hours of continuing education per renewal cycle in order to renew their license, as set forth in Rule 0160-3-.03(1), except as provided for in T.C.A. § 62-19-106(e)(2).

Authority: T.C.A. §62-19-106(b) and (e).

Paragraph (3) of rule 0160-3-.04 Qualifying Programs is amended by deleting the text of the paragraph and substituting the following language so that, as amended, paragraph (3) of rule 0160-3-.04 shall read:

0160-3-.04 Qualifying Programs

(3) Formal programs requiring attendance may only be considered for approval by the Commission if:

- (a) an outline is prepared and preserved;**
- (b) the unit program is at least two (2) hours (1 credit hour = 50 minutes) in length;**
- (c) the program is conducted by an instructor, discussion leader or lecturer qualified in the opinion of the Commission by either education or experience or both; and**
- (d) a record of registration and attendance is maintained and certified by the signatures of an authorized representative of the organization sponsoring the program.**

Authority: T.C.A. §62-19-106(b) and (e).

Paragraph (10) of rule 0160-3-.04 Qualifying Programs is amended by deleting the text of the paragraph and substituting the following language so that, as amended, paragraph (10) of rule 0160-3-.04 shall read:

0160-3-.04 Qualifying Programs

- (10) Notwithstanding any other provisions of these rules to the contrary the requirements of Rule 0160-3-.05, Sponsors, and paragraphs (2) and (3) of this rule shall not apply to sponsors the Commission determines are nationally recognized providers of auctioneer education. Those sponsors shall comply with the provisions of Rule 0160-3-.07, Control and Reporting System. The failure of such a sponsor to report as required shall result in the Commission's refusal to grant credit for attendance at programs of such sponsors and/or the suspension of the sponsor's recognition by the Commission under this paragraph. For purposes of this paragraph, the nationally recognized provider of auctioneer education is the National Auctioneer Association.**

Authority: T.C.A. §62-19-106(b) and (e).

Paragraph (1) of rule 0160-3-.05 Sponsors is amended by deleting the text of the paragraph and substituting the following language so that, as amended, paragraph (1) of rule 0160-3-.05 shall read:

0160-3-.05 Sponsors

The sponsor of any continuing education program shall apply for approval of such program by filing the form prescribed by the Commission at least thirty (30) days prior to the program being offered for continuing education credit. Such form shall include certification that the program sponsored will conform to the provisions of this chapter. The criteria the Commission will use to determine whether a program is acceptable and how many hours of credit will be awarded for continuing education activity is established in Rule 0160-3-.04 Qualifying Programs.

Authority: T.C.A. §62-19-106(b) and (e).

Rule 0160-3-.07 Control and Reporting System is amended by deleting the text of the rule in its entirety and substituting instead the following language so that, as amended, the rule shall read:

Rule 0160-3-.07 Control and Reporting System.

- (1) Within twenty (20) days of the completion of a sponsor's program, the sponsor shall submit both the original report and all error reports identifying the program and the licensees who attended by either:**
 - (a) transmitting the information electronically via computer;**
 - (b) supplying the information in any State approved data format with a label identifying the sponsor's name and program name.**
- (2) An information data file including the information required by paragraph one (1) of this rule shall be provided in the State approved format.**
- (3) The information data file shall include the following data elements:**
 - (a) program name;**
 - (b) sponsor name;**
 - (c) date program was conducted;**
 - (d) number of hours the Commission has determined would be awarded to a person attending the program;**
 - (e) name and license number of all attending licensees.**
- (4) Upon receiving a written request from the Commission, a sponsor shall provide the Commission with a copy of the registration form required by paragraph (2)(c) of Rule 0160-3-.05, Sponsors.**
- (5) Should any continuing education credit hours claimed in a submission by a sponsor be disapproved, the Commission shall cause notification be sent to the sponsor in writing of the reason for disapproval and allow a specified time for correction or explanation of any deficiency.**

Authority: T.C.A. §62-19-106(b) and (e).

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"The Tennessee Department of Commerce and Insurance is committed to principals of equal opportunity, equal access, and affirmative action." Contact the EEO Coordinator or ADA Coordinator at 615-741-2177 (TDD).

Mark the Date – TAC Spring Seminar – Tuesday, May 20, 2008 – Middle Tennessee

JANUARY 2008 DISCIPLINARY ACTIONS

Department of Commerce and Insurance - Tennessee Auctioneer Commission

Respondent:	John Butler, Murfreesboro, TN	Respondent:	Tinsley Preston, Murfreesboro, TN
Violation:	Unlicensed Activity	Violation:	Failing to account for or remit, within a reasonable time, any money belonging to others that comes into the licensee's possession, comingling funds of others with the licensee's own, or failing to keep such funds of others in an escrow or trustee account.
Action:	\$ 10,000 Civil Penalty		
Respondent:	Craig Butler, Murfreesboro, TN		
Violation:	Unlicensed Activity		
Action:	\$ 2,500 Civil Penalty		
Respondent:	Charles R. Solomon, Good Spring, TN		
Violation:	Unlicensed Activity	Action:	Voluntary revocation of license
Action:	\$ 250 Civil Penalty		

DID YOU KNOW? In 2007, the Tennessee General Assembly passed an Act to amend Tennessee Code Annotated, Title 62, Chapter 19, Part 1, relative to auctioneers, which went into effect on July 1, 2007. In summary, this Act allows auctioneers to place a lien on property if they perform auctioneering services and are denied payment for a commission or fee for the services performed. For more information and all the details on this, visit www.michie.com and click on the Tennessee Code Annotated.

TENNESSEE DEPARTMENT OF COMMERCE AND INSURANCE AUTHORIZATION No. 335170, Revised 08/06. This public document was promulgated for 3500 copies per issue, at a cost of 37 cents per copy, paid by the Tennessee Auctioneer Commission Education and Recovery Fund.

